

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENERGY CORPORATION FOR A) CASE NO.
CERTIFICATE OF CONVENIENCE AND NECESSITY) 2000-032

O R D E R

Kenergy Corporation ("Kenergy") filed its application on February 23, 2000 for a Certificate of Public Convenience and Necessity to construct certain improvements and additions to its existing plant at a cost of \$37,315,203. The total cost to construct the proposed facilities will be financed with a loan from the United States of America, acting by and through the Administrator of the Rural Utilities Service. In support of its application Kenergy filed its 2000-2001 Work Plan, which describes in detail the improvements and additions to its plant that are required over the next 2 years to serve its load.

Kenergy seeks authorization to construct extensions and additions to its plant as follows:

1. New Distribution Lines	\$ 5,696,836
2. Tie Lines	1,364,040
3. Line Conversion & Replacement	15,495,445
4. New Substations	5,552,558
5. Substation Upgrades	1,179,115
6. Misc. Dist, Equip.	7,544,809
7. Security Lights	<u>482,400</u>
TOTAL	\$37,315,203

The proposed construction will enable Kenergy to continue to provide adequate and dependable electric service to its customers. The system improvements recommended in this Work Plan will not duplicate existing facilities and are needed to correct voltage problems, improve phase balance, and provide for improved service reliability.

Based on the application and supporting 2000-2001 Work Plan, and being advised, the Commission finds that the proposed improvements and additions to be constructed by Kenergy are necessary to provide adequate, reliable electric service to existing customers and anticipated new customers.

IT IS THEREFORE ORDERED that Kenergy is granted a Certificate of Public Convenience and Necessity to construct the facilities described in its 2000-2001 Work Plan.

Done at Frankfort, Kentucky, this 7th day of July, 2000.

By the Commission

ATTEST:


Executive Director